

AMENDED IN SENATE MARCH 24, 2003

**Senate Joint Resolution**

**No. 9**

**Introduced by Senators Perata, Cedillo, and Romero**  
(Coauthor: Assembly Member Hancock)

February 24, 2003

Senate Joint Resolution No. 9—Relative to the California economy.

LEGISLATIVE COUNSEL'S DIGEST

SJR 9, as amended, Perata. California economy: congressional attention.

This measure would request the state Congressional delegation to support fiscal relief to the states in the amount of \$50 million or more for the 2003–04 fiscal year and provide temporary relief through federal revenue sharing or adjustments in the federal budget for specified purposes. This measure would further request the state Congressional delegation to unite and turn its attention immediately to the plight of its constituents in California whose economy and future are so seriously jeopardized by the priorities of the Bush Administration.

Fiscal committee: no.

- 1 WHEREAS, Our nation continues in the throes of an ongoing,
- 2 relentless economic recession;
- 3 WHEREAS, The Congressional Budget Office has predicted a
- 4 \$200,000,000,000 national deficit this year; and
- 5 WHEREAS, The Bush Administration budget plan relies on
- 6 total tax cuts of \$1,300,000,000,000 in the next ten years to
- 7 stimulate the economy, increasing the likelihood of deep federal
- 8 deficits and massive cuts to domestic programs; and

1 WHEREAS, Economists predicts that if legislators adopt the  
2 Bush Administration's current budget proposal it would wipe out  
3 the remaining surplus and plummet the U.S. into a debt of over  
4 \$2,000,000,000,000 over the next ten years; and

5 WHEREAS, The Congressional Budget Office estimates that  
6 the security measures being implemented in the wake of  
7 September 11th attacks will reduce the annual gross domestic  
8 product growth by as much as 1%, or one percentage point lower  
9 than a decade ago; and

10 WHEREAS, State lawmakers all across the nation must cut  
11 spending in order to meet a \$25,000,000,000 budget shortfall in  
12 the 2002–03 fiscal year, and \$68,500,000,000 in the 2003–04  
13 fiscal year; and

14 WHEREAS, California's New Economy recession is the  
15 deepest, most long lasting in the nation, and shows few signs of  
16 recovery; and

17 WHEREAS, California taxpayers' contribution to the federal  
18 budget is by far the largest of any state in the nation; and

19 WHEREAS, California's annual federal tax contribution is  
20 \$13,000,000,000 more than it receives back in federal support and  
21 services; and

22 WHEREAS, California public schools stand to lose over  
23 \$300,000,000 in crucial funding for migrant, after-school, and  
24 vocational education programs under the President's budget plan,  
25 which mandates higher standards but fails to fund the  
26 administration's much trumpeted "No Child Left Behind"  
27 education initiative favoring instead national voucher programs  
28 and giving tax credits to students who attend private schools; and

29 WHEREAS, The President's budget request proposes  
30 reductions in overall spending in Medicaid and SCHIP programs  
31 by \$2,500,000,000 over ten years and continues to ignore the  
32 hardships caused to seniors by putting unfettered profits of drug  
33 companies before affordable prescriptions; and

34 WHEREAS, President Bush's plan proposes to reduce  
35 transportation funding in California by at least \$200,000,000  
36 thereby extending delays in projects on congested freeways, as  
37 well as reductions to transit; and

38 WHEREAS, The federal government already owes California  
39 reimbursements in the range of \$1,000,000,000 for homeland



1 security expenses pursuant to September 11th attacks; now,  
2 therefore, be it

3 *Resolved by the Senate and Assembly of the State of California,*  
4 *jointly, That the Legislature of the State of California does hereby*  
5 *ask the state Congressional delegation to unite and turn their*  
6 *attention immediately to the plight of its constituents in California*  
7 *whose economy and future are so seriously jeopardized by the*  
8 *priorities of the Bush Administration; and be it further*

9 *Resolved, That the Congressional delegation support fiscal*  
10 *relief to the states in an amount no less than \$50,000,000 for the*  
11 *2003–04 fiscal year as a necessary first step to narrow the gap*  
12 *between the cost of federal mandates and the levels of funding for*  
13 *those mandates. Immediate temporary relief for the states should*  
14 *be accomplished through federal revenue sharing or adjustments*  
15 *in the federal budget for state-federal partnership efforts in at least*  
16 *the following policy areas: boost the Medicaid federal medical*  
17 *assistance percentage (FMAP); prevent reversion of unspent funds*  
18 *for the State Children’s Health Insurance Program; fully fund*  
19 *implementation of the No Child Left Behind Act and Individuals*  
20 *with Disabilities Education Act (IDEA); assist unemployed*  
21 *workers; fully cover costs of incarcerating undocumented felons;*  
22 *boost federal investment in highways, mass transit, and passenger*  
23 *rail; fully fund federal grants for state-level homeland security*  
24 *first responders; and provide penalty relief through corrective*  
25 *action plans; and be it further*

26 *Resolved, That the Secretary of the Senate transmit copies of*  
27 *this resolution to the state Congressional delegation.*

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